Versuni

Versuni Modern Slavery and Human Rights Statement 2024

1. Introduction and statement coverage

At Versuni, we are on a mission to help people turn houses into homes. This goal extends beyond our innovative products, systems and services, to our operations and product supply chain. At Versuni, we believe that we have the responsibility to respect and contribute positively to human rights.

This statement sets out Versuni's efforts in identifying, assessing and managing the risks of modern slavery and human trafficking within the operations and product supply chain in relation to the financial year ending 31 December 2024.

This statement has been made following consultation with various relevant internal stakeholders from procurement, sustainability and legal teams to ensure that modern slavery risks are being sufficiently identified and any agreed actions can be overseen by the relevant team.

More information on Versuni's business and approach to sustainability and human rights can be found on the company's website www.versuni.com.

2. Organisational structure, Operations and Supply chains

Versuni is a global domestic appliances business, marketing such iconic brands as Philips, Philips Baristina, Philips Walita, Preethi, Senseo, L'OR Barista, Saeco and Gaggia. Versuni's portfolio spans coffee and kitchen appliances, garment care, climate care, floor care, and home safety.

Versuni has a sales presence, through a direct sales network, in approximately 50 countries, while sales are generated in more than 130 countries. Versuni's own manufacturing sites are located in Brazil, Italy, Romania, India and China and we have a direct business relationship with product and component suppliers located globally. As of 31 December 2024, Versuni has approximately 5,900 employees (excluding contingent workers) across its innovation, manufacturing and commercial centers globally. In Versuni's structure, supply chain related functions such as procurement, manufacturing and supply chain are within the Operations team, under the leadership of the Chief Operating Officer.

3. Our Policies and Standards

Policies and Standards

Versuni's respect for human rights is expressed in our Code of Business Conduct (**CBC**), which sets the standard for acting with integrity at Versuni and is supported by our Human Rights Policy, our Fair Employment

Policy and several other topic-specific policies. In our CBC, we commit to extending fair employment practices to every member of the diverse Versuni community. Our Fair Employment Policy sets out what that means in more detail, confirming that Versuni does not make use of forced, bonded or child labor; that work must be voluntary and must not be dangerous or interfere with education; that each employee must receive a written document detailing terms and conditions of employment, is free to move and leave company premises during breaks and at the end of their shift (except for safety and security reasons), is, subject to local law, free to terminate their employment on reasonable notice and is free to associate with any labor union or other employee organization of their choosing.

In addition, Versuni is a member and has adopted the Code of Conduct of the Responsible Business Alliance (**RBA**), a multi-industry coalition committed to supporting the rights and well-being of workers vulnerable to forced labor who are engaged in global supply chains. Versuni requires its product and component suppliers and other material suppliers, who fulfill certain criteria, sign a Supplier Sustainability Agreement, in which they commit to comply with our Supplier Sustainability Declaration (**Declaration**), which includes the requirements of the RBA code and provides Versuni with a right to audit compliance with the Declaration. Versuni is committed to working with our supply chain partners to ensure that their internal controls and operations comply with these standards and that they conduct their own internal audits to monitor compliance with the Declaration.

Versuni is conscious of the particular human rights risks prevalent in the extractives sector and, as part of the Declaration, requires suppliers to adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, and gold in the products they manufacture, to reasonably ensure that they are sourced in a way consistent with OECD or similar global standards.

Versuni takes a global, company-wide approach to our modern slavery compliance. The policies and standards mentioned in this Statement apply to all entities in the Versuni Group.

Raising Human Rights concerns

Versuni's Speak Up program is governed by our Speak Up Policy and provides Versuni's stakeholders (including third parties) with a mechanism to inform Versuni about any concerns (including human rights) they may have. This enables the company to investigate and take appropriate corrective action.

Third parties can report a concern either in Versuni's online Speak Up portal (independently operated by an external third party) or directly to Versuni management, human relations team or legal team. Versuni's online Speak Up portal is always available and reporting is possible in most of the main local languages of the countries in which Versuni operates. In most instances, if not legally prohibited, concerns can be raised anonymously. But whether a concern is raised anonymously or not, the report will be treated as strictly confidential and will only be shared with those responsible for handling the concern.

Governance and internal accountability

Governance of matters related to Versuni's commitment to respect human rights is embedded in two mandates from the Executive Leadership Team (**ELT**). The Integrity & Compliance Steerco is composed of ELT members and senior executives from businesses and functions across Versuni. The Steerco has a mandate

to oversee the operation of the integrity and compliance program, including compliance with the CBC and the review of integrity related concerns, including those raised through the Speak Up program.

The sustainability team, within Operations, has a responsibility for defining and steering sustainability related priorities across all company activities, including through the setting of key performance indicators for business, functions and markets to progress sustainability related goals. The team also monitors progress towards those goals and takes corrective action where needed.

4. Risk Assessment and Due Diligence

Versuni has a sustainability audit program. Under that program, in scope suppliers are screened before we start working with them and then once every three years after that. Suppliers may be determined to be in scope depending on the following criteria:

- Materials used in the product and manufacturing process
- Types of products or services delivered to Versuni
- Versuni's spend with the Supplier
- Incidents reported to Versuni directly or indirectly (e.g. via the media)
- Location of the Supplier's activities for Versuni

Depending on the outcome of the audit, Versuni may take action including further desktop or on-site investigation, setting an improvement plan (with measurable key performance indicators that are monitored) and including a supplier in scope for more frequent audit. In cases where unacceptable non-compliances are found that cannot be resolved, Versuni may review termination of the supplier engagement.
In particular, Versuni does not accept:

- structurally faking or falsifying records
- structural child and/or forced labor
- immediate threats to the environment or violations of regulatory requirements
- immediate threats to workers' health and safety
- failure to comply with regulatory and/or Versuni requirements with regard to, for example, regulated substances and conflict minerals
- structural failure to comply with regulatory requirements on workers' monthly income

In 2024, there were no child labor or forced labor issues found, including in China and India, countries that Versuni considers carry a higher risk of deviation. Therefore, there is no significant risk of adverse impacts that Versuni has identified through the due diligence process.

Training

On an annual basis, employees complete mandatory CBC training and senior management must sign-off that they understand and commit to complying with the CBC and must disclose any undisclosed violations of the CBC that they are aware of.

As confirmed in their Declaration, suppliers are responsible for setting up their own education mechanisms and develop improvement plans in order to ensure: (a) compliance with applicable laws and regulations related

to their operations and products; (b) compliance with this Declaration; and (c) identification and mitigation of operational risks related to the Declaration.

5. Our ongoing commitment to continuous improvement

Versuni is committed to continuously improve our efforts in identifying, assessing and managing the risks of modern slavery and human trafficking within our operations and product supply chain. We invest in relationships with suppliers who commit to provide a safe working environment, treat workers with respect for people and our planet. In 2024, we conducted supplier audits for suppliers that were in scope, in high-risk countries and above a set threshold. One supplier was granted an extension for its audit, while the reason for extension is not related to modern slavery risks. Additionally, Versuni completed a preliminary double-materiality assessment to identify sustainability topics relevant to Versuni, both from an impact and financial materiality point of view. This assessment will be further refined and evaluated in 2025 to focus Versuni's efforts on topics where it can have a meaningful impact.

We believe everyone in our offices and factories deserves to feel safe and at ease in their day-to-day life – to know they are valued and respected, and that their voice is heard. For that, we are working to raise standards and improve the wellbeing of people working across our supply chain. We also want our Versuni team to be as diverse as the customers we serve, starting with more equal gender identity representation, with a key priority being for 40% of the Versuni leadership team to consist of people who identify as women by 2027. For more information about our Versuni sustainability journey, please refer to our company website www.versuni.com/suppliers/sustainability